

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7408**

**BILL NUMBER:** HB 1894

**NOTE PREPARED:** Jan 13, 2003

**BILL AMENDED:**

**SUBJECT:** Credit Card Processing Fees as Court Costs.

**FIRST AUTHOR:** Rep. Stevenson

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill permits a clerk to collect a credit card service fee from a person who uses a credit card to make a transaction with the clerk. It specifies that the fee may not exceed the amount of the transaction charge or discount fee charged by the bank or credit card vendor. It specifies that the credit card service fee is in addition to the amount of bail set by the trial court.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Allows courts to recover transactions costs:* Currently there is no legal barrier for court personnel accepting credit cards to pay for fees, penalties, and other monetary charges assessed by a court. However, court personnel are not currently permitted to pass along the transaction charge for the use of a credit card to the person paying with a credit card.

This bill would permit a court to collect the transaction charge when a payment is made by credit card. This transaction charge is generally part of the negotiated contract associated with accepting credit card payments. Vendor's fees depend on negotiated contracts as well as the amount of each transaction.

Consequently, the fiscal impact of this bill depends on local action and the negotiated fee.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Courts.

**Information Sources:**

**Fiscal Analyst:** Mark Goodpaster, 317-232-9852